

**Registered number: 05889426**  
**Charity number: 1118916**

**EMPOWER - THE EMERGING  
MARKETS FOUNDATION LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2021**

**LUBBOCK FINE LLP**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

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**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**

**AS AT 30 JUNE 2021**

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**Trustees**

Marc Balston  
Ozan Tarman  
Parvoleta Shtereva  
Pontso Mafethe  
Angela Labombarda  
Cynthia Steele  
Aditi Thorat  
Bradley Wickens  
Andrew Curran  
Susan Dodge  
Francisco Ybarra  
Jonathan Bayliss  
Kunal Shah  
Jeremy Llewelyn  
Pierre-Yves Bareau  
Peter Tolhurst  
Michael Lekan  
Jonathan Bell  
John Patton  
Swatee Deepak  
Toby West  
Colin Reddie  
Adeel Khan

**Company registered  
number**

05889426

**Charity registered  
number**

1118916

**Registered office**

3rd Floor, Paternoster House  
65 St Paul's Churchyard  
London  
EC4M 8AB

**Company secretary**

Cynthia Steele

**Independent auditors**

Lubbock Fine LLP  
Chartered Accountants & Statutory Auditors  
Paternoster House  
65 St Paul's Churchyard  
London  
EC4M 8AB

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**

**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)**

**AS AT 30 JUNE 2021**

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**Bankers**

JP Morgan Chase Bank, N.A  
125 London Wall  
London  
EC2Y 5AJ

Charities Aid Foundation  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

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The Trustees present their annual report together with the audited financial statements of Empower - The Emerging Markets Foundation Limited for the year from 1 July 2020 to 30 June 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of the members of the board and professional advisers on page 1 of the financial statements.

**THE TRUSTEES**

The trustees who served the charity during the period and since the year end were:

Marc Balston  
Cynthia Steele  
Xavier Corin-Mick (Resigned 30 June 2021)  
Jeremy Llewelyn  
Pontso Mafethe  
Parvoleta Shtereva  
Ozan Tarman  
Aditi Thorat  
Bradley Wickens  
Francisco Ybarra  
Jonathan Bayliss  
Rafael Biosse Duplan (Resigned 30 June 2021)  
Marcin Wiszniewski (Resigned 30 August 2021)  
Kunal Shah  
Fernando Ortega (Resigned 1 December 2020)  
Pierre-Yves Bareau  
Peter Tolhurst  
Michael Lekan  
Angela Labombarda  
Andrew Curran  
Susan Dodge  
Jonathan Bell  
John Patton  
Swatee Deepak  
Toby West  
Colin Reedie (Appointed 9 December 2020)  
Adeel Khan (Appointed 1 March 2021)

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

EMpower - The Emerging Markets Foundation Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association.

**Appointment of directors**

New Directors are recruited and nominated by the Executive Committee of the Board. The Executive Committee is composed of:

Kunal Shah, Chair  
Marc Balston, Treasurer  
Aditi Thorat, Programmes Chair  
Cynthia Steele, Secretary

All of the Directors elected to the Board have a three year renewable term.

According to the Articles of Association, there is no limit to the number of directors appointed to the Board, and so the Board of Directors has resolved to continue to search for additional strategic directors.

The Board of Directors continuously reviews its competencies and is conscious of the need to maintain a balance of skills. Periodically, additional members are invited to join the Board, effectively becoming an additional director and this involves a careful vetting process by the Board to ensure that any new member is aware of his/her responsibilities towards the Foundation.

New Directors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board and decision making processes, the business plan and recent financial performance of the Charity.

**Organisation**

The Board of Directors administers the Charity. The Board meets once a year for the Annual General Meeting and convenes to meet when needed at different times of the year. The Secretary acts as a Chief Executive to manage the day to day operations of the Charity.

**Related Parties**

The sole member of the Charity is EMpower - The Emerging Markets Foundation, incorporated in the State of New York in the United States of America (EMpower US). While EMpower US manages the grantmaking operations of the Charity, the geographic focus and approval for all of the Charity's philanthropic distributions are decided by the Board of Directors of the Charity.

EMpower - The Emerging Markets Foundation Inc. has a further subsidiary undertaking, EMpower - The Emerging Markets Foundation (Hong Kong). EMpower HK's grantmaking operation is also managed by EMpower US, though its own Board of Directors approve distributions and geographic focus.

All three organisations have the same mission and actively promote their common goals throughout the world.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**Risk Management**

The Board of Directors are committed to a regular review of the major strategic, business and operational risks which the Charity faces with a view to ensuring that appropriate systems and procedures are in place to minimise these risks.

**Public Benefit**

In setting the objectives and planning the activities of EMpower - The Emerging Markets Foundation Limited, the Directors have given careful consideration to the Charities Commission's general guidance on public benefit.

**OBJECTIVES AND ACTIVITIES**

The Emerging Markets Foundation is a global philanthropy focused on empowering at risk youth (ages 10 - 24) in 15 emerging market countries. The Charity believes that young people are a critical resource for every country and focuses on the essential building blocks for a young person's future - education, livelihoods, health and well being.

With a world wide community of supporters, the Charity strategically invests in vital, local organizations who work to empower at risk youth, in the following three ways:

**Empowering Youth Through Grantmaking**

The Charity invests in local organizations that know their local communities and context, and are best positioned to discover and implement solutions that work. The Charity makes grants to organizations with a track record of successfully engaging and serving young people, solid organizational capacity and an interest in learning and growth.

**Working with Grantees**

Beyond financial support, the Charity works with grantee partners to expand their reach and/or improve their programs and services. The Charity encourages innovative approaches while sharing ideas and knowledge.

**Multiplying Impact**

The Charity brings together organizations focused on issues affecting youth, by developing and catalyzing forums for problem solving and exchanging ideas - making good ideas travel faster and further.

The Charity founded and fueled by finance professionals, serves as the bridge between the financial sector's talent, energy, resources and knowledge of EM countries, to local organizations. The Charity's Board, staff, committed Underwriters and generous supporters understand the inequities and opportunity gaps that young people face in EM countries, and want to do something about them. As an organisation, the Charity takes time to listen and from that listening and understanding comes learning, collaborative work and strategic use of their resources.

**Aspects which make the Charity unique are:**

**Leadership** - strong community of supporters and talented, committed leadership through its Board of Directors. A Joint Executive Committee, bringing together members of the Boards of EMpower UK, US, HK steers the global strategy of the Charity and its regional partners.

**Efficiency** - coupled with EMpower US and EMpower HK, the Charity has a global footprint that centralizes key functions and keeps administrative costs low, while remaining regionally nimble with offices in New York, London and Hong Kong. The Charity's operations are streamlined to create maximum impact, with less than 20% spent on management and fundraising costs. The remaining 80% of the budget going directly to program work.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**Underwriting** - all operating costs world wide are covered by the Charity's generous Underwriters, enabling 100% of every individual donation to benefit at risk youth.

**Effectiveness** - monitor and measure impact on several interrelated levels. The Charity looks at direct and indirect impact, changes in individual lives and in their local partner organizations, and broader changes in the communities where it works.

**Thought leadership and deep on the ground experience in youth development** - identifies and partners with quality, local organizations for up to 10 years supporting their programming, development and growth, including leveraging additional support.

For more information please visit our website: <http://empowerweb.org/>

**ACHIEVEMENTS AND PERFORMANCE**

During the year ended 30 June 2021, the Charity disbursed \$1,718,220 to 43 organisations. All of these grants helped to further the Charity's mission of empowering at risk youth around the world. The organisations funded with these grants are all dedicated to supporting programs advancing the health, education, and livelihoods development of marginalized young people. For a list of these grants, kindly visit [www.empowerweb.org](http://www.empowerweb.org).

In addition, the Charity held awareness raising events in London to broaden the base of supporters as well as attracting others from continental Europe. The Charity was successful in forming an Underwriting Group of renowned professionals in the Emerging Markets financial sector that commits multi year funding to support its operations in order for 100% of other individual donors' contributions to go directly to supporting its grantees. To see the full list of Underwriters, kindly visit [www.empowerweb.org](http://www.empowerweb.org)

**FINANCIAL REVIEW**

During the financial year the Charity recognised incoming resources totalling \$4,304,185. This represented individual and institutional donations (including Gift Aid) and investment income.

On the expenses side, the Charity expended a total of \$3,110,671, which was incurred directly for the fulfilment of the Charity's objectives, together with the support costs relating to these activities. The Charity donated \$1,718,220 in grants to community based organisations in emerging countries dedicated to empowering young people.

The Charity held one fundraising event during the course of the year with expenditure totalling \$69,840. The event generated \$1,531,880 of fundraising income, consisting of \$568,020 in donations and \$963,860 of matched and supplementary funding from corporate and individual underwriters, as well as promoting an expansion of awareness of the Charity throughout its core constituency of financial professionals.

At the year end, the charity had unrestricted reserves of \$2,694,114 which consisted of Board designated reserve of \$1,350,000 and a general reserve for operation of \$1,344,114. The Board designated reserves has been set aside for the purposes of confronting operational expenses in case of a downturn in fundraising and for specific Renew Fund programs to be approved during each of the next 3 years. The Renew Fund is focused on COVID related health and wellness.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**FUNDRAISING STANDARDS INFORMATION**

The Charity adheres to current Fund-raising standards. We raise funds from the public using only our internal Development staff, our Directors and our Underwriters. We directly contact our donors and directly communicate with them, we use no intermediaries. We also develop our own marketing and communications resources internally. By using our internal resources we are able to protect against unusual intrusion and protect data privacy. Please visit our website to review our Policy on why we collect personal information, how we use it, the conditions under which we may disclose it to others and how we keep it secure. <https://empowerweb.org/about-us/privacy>

**PLANS FOR FUTURE PERIOD**

The Charity, through the UK VP of Development, the UK Development & Manager Corporate Partnerships and the Development Manager, will continue to support the Board of Directors in its efforts to develop in London. Both the Board of Directors and staff will focus on raising the awareness of the Charity's work within its core constituency in the emerging markets financial sector, but also expand the reach to sectors outside the finance, continue to grow institutional funding and also identify individuals and firms with a keen interest in the 15 countries EMpower serves.

Pursuant to this end, the Charity will continue to have constituent dinners, Grants Meetings and explore participation in such high-profile events such as the EMPEA global industry association for private capital in emerging markets conference, FT Investor for Good Conference and London Marathon. This year, and last year, due to COVID-19 uncertainty and social distancing limitations, EMpower has also added online campaigns to help maintain and promote donor participation. One such online campaign recently concluded raised in excess of \$2.5 million.

The Charity will continue to review geographic priorities and other programmatic imperatives so that the grantmaking is ensured to be impactful to the communities it seeks to serve and relevant to its supporters. The Charity will continue to distinguish itself by its participatory and transparent nature and will keep encouraging those interested to get involved in its work by attending Grants Meetings and by other means. If you would like to learn more about how to get involved with EMpower, kindly contact Francine de Boer, UK Development and Engagement Manager, at [fdeboer@empowerweb.org](mailto:fdeboer@empowerweb.org).

**TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2021**

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**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, and signed on their behalf by:

**Cynthia Steele**  
Company Secretary  
Date: 8 Feb 2022



**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**

**AS AT 30 JUNE 2021**

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**Opinion**

We have audited the financial statements of Empower - The Emerging Markets Foundation Limited (the 'charity') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED (CONTINUED)**

**AS AT 30 JUNE 2021**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED (CONTINUED)**

**AS AT 30 JUNE 2021**

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**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations;
  - identifying the impact the COVID-19 pandemic had on the charity - in particular focussing on the financial and operating performance; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities SORP 2019 and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularity, including fraud were in respect of the revenue recognition, unrecorded grant commitments and management override. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance;

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED (CONTINUED)**

**AS AT 30 JUNE 2021**

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- Reviewing income recognition on a sample basis to supporting documentation to identify misstatements in recognition and classification of income between restricted / unrestricted funds.
- Reviewing, on a sample basis, documentation supporting grant expenditure in the year to test completeness of grant commitments;
- In addressing the risk of fraud through management override of controls; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Lubbock Fine*

**Neil Williams (Senior Statutory Auditor)**

for and on behalf of

**Lubbock Fine LLP**

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 10 February 2022

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

**AS AT 30 JUNE 2021**

	<b>Note</b>	<b>Unrestricted funds 2021 \$</b>	<b>Restricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
<b>Income from:</b>					
Donations	2	2,647,250	125,000	2,772,250	1,243,122
Charitable activities	3	1,531,880	-	1,531,880	1,578,363
Investments	4	54	-	54	541
<b>Total income</b>		<b>4,179,184</b>	<b>125,000</b>	<b>4,304,184</b>	<b>2,822,026</b>
<b>Expenditure on:</b>					
Charitable activities	5	3,110,671	-	3,110,671	3,055,006
<b>Total expenditure</b>		<b>3,110,671</b>	<b>-</b>	<b>3,110,671</b>	<b>3,055,006</b>
<b>Net movement in funds</b>		<b>1,068,513</b>	<b>125,000</b>	<b>1,193,513</b>	<b>(232,980)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,625,601	-	1,625,601	1,858,581
Net movement in funds		1,068,513	125,000	1,193,513	(232,980)
<b>Total funds carried forward</b>		<b>2,694,114</b>	<b>125,000</b>	<b>2,819,114</b>	<b>1,625,601</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 27 form part of these financial statements.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
(A Company Limited by Guarantee)

**BALANCE SHEET**

**REGISTERED NUMBER: 05889426**

**AS AT 30 JUNE 2021**

	Note	2021 \$	2021 \$	2020 \$	2020 \$
<b>Fixed assets</b>					
Tangible assets	11		4,162		5,671
<b>Current assets</b>					
Debtors	12	110,395		32,976	
Cash at bank and in hand		3,737,070		2,372,353	
		<u>3,847,465</u>		<u>2,405,329</u>	
Creditors: amounts falling due within one year	13	(1,032,513)		(785,399)	
<b>Net current assets</b>			2,814,952		1,619,930
<b>Total net assets</b>			<u>2,819,114</u>		<u>1,625,601</u>
<b>Charity funds</b>					
Restricted funds:					
Restricted funds	14		125,000		-
Unrestricted funds	14		2,694,114		1,625,601
<b>Total funds</b>			<u>2,819,114</u>		<u>1,625,601</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**Kunal Shah**  
Chair  
Date:



**Marc Balston**  
Treasurer



The notes on pages 16 to 27 form part of these financial statements.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**AS AT 30 JUNE 2021**

	<b>Note</b>	<b>2021 \$</b>	<b>2020 \$</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	16	1,364,662	129,014
<b>Cash flows from investing activities</b>			
Bank interest		55	541
Purchase of tangible fixed assets		-	(1,841)
<b>Net cash provided by/(used in) investing activities</b>		55	(1,300)
<b>Change in cash and cash equivalents in the year</b>		1,364,717	127,714
Cash and cash equivalents at the beginning of the year		2,372,353	2,244,639
<b>Cash and cash equivalents at the end of the year</b>	17	3,737,070	2,372,353

The notes on pages 16 to 27 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Empower - The Emerging Markets Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts have been prepared in US dollars as this is the operating currency of the charity.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.4 Going concern**

The Trustees consider that it is appropriate to prepare the financial statements on a going concern basis. In formulating this assessment the Trustees have taken into consideration the potential impact of the global COVID-19 pandemic on the Charitable company's ability to raise funds and carry out its charitable activities.

**1.5 Income**

All monetary donations, grants and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor/funder-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Gifts in kind and donated services are valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure.

Fundraising income consists of donations received at events which are recognised in the year in which the event was held.

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

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**1. Accounting policies (continued)**

**1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

**1.7 Grants payable**

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

**1.8 Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure, which is charged on an accruals basis, is allocated between:

- Expenditure incurred directly to the fulfilment of the Charity's objectives together with support costs relating to these activities;
- Expenditure incurred in order to raise funds for charitable activities including support costs; and
- Expenditure incurred in the governance of the Charity and its assets.

**1.9 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**1.10 Pensions**

The company contributes to a group personal pension scheme and the pension charge represents the amounts payable by the Charity in respect of the year.

**1.11 VAT**

The Charity is not registered for VAT and its expenses are therefore inflated by VAT which cannot be recovered.

**1.12 Tangible fixed assets and depreciation**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	20% straight line
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**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

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**1. Accounting policies (continued)**

**1.13 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.14 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.15 Liabilities and provisions**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**1.16 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**2. Income from donations**

	<b>Unrestricted funds 2021 \$</b>	<b>Restricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Donations and gift aid	2,647,250	125,000	2,772,250	1,243,122
<b>Total 2020</b>	1,243,122	-	1,243,122	

Included within donations and gift aid is restricted income of \$125,000 relating to a grant awarded during the year totalling \$548,400. The balance of \$423,400 has not been recognised as income in the year as certain performance related conditions had not been met by the year end. The Trustees expect \$335,870 to be received in FY22 and \$87,530 to be received in FY23 once the performance related conditions have been met.

**3. Income from charitable activities**

	<b>Unrestricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Fundraising activities	1,531,880	1,531,880	1,578,363

**4. Investment income**

	<b>Unrestricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Bank interest receivable	54	54	541

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 \$</b>	<b>Grant funding activities 2021 \$</b>	<b>Support costs 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Grant funding activities including management fee	612,147	1,733,116	765,408	3,110,671	3,055,006
<b>Total 2020</b>	687,222	1,521,420	846,364	3,055,006	

**Analysis of direct costs**

	<b>Activities 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Management fees to EMpower - The Emerging Markets Foundation (EMpower US)	612,147	612,147	687,222

**Analysis of support costs**

	<b>Grant funding activities 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Staff costs	645,639	645,639	480,284
Depreciation	1,509	1,509	1,509
General support costs	132,081	132,081	94,286
Travel and communications	19,849	19,849	36,570
Fundraising expenses	69,840	69,840	235,437
Foreign exchange gain	(103,510)	(103,510)	(1,722)
<b>Total 2021</b>	765,408	765,408	846,364

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**6. Grants payable**

	<b>Grants to Institutions 2021 \$</b>	<b>Total funds 2021 \$</b>	<b>Total funds 2020 \$</b>
Grant funding activities	1,733,116	1,733,116	1,521,420
	<u>1,733,116</u>	<u>1,733,116</u>	
<b>Total 2020</b>	<u>1,521,420</u>	<u>1,521,420</u>	

In the current and prior year, all grants payable were from unrestricted funds.

The Charity has made the following material grants to institutions during the year:

	<b>2021 \$</b>
<b>Name of institution</b>	
Alternativa	90,000
EMPUJAR	95,000
Koy Okullari Degisim Agi Dernegi (KODA)	91,000
Research for Education and Career Help Institute (REACH)	124,000
	<u>400,000</u>
Other grants to institutions	1,333,116
	<u>1,733,116</u>

**7. Auditors' remuneration**

	<b>2021 \$</b>	<b>2020 \$</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts (governance)	12,827	14,667
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	<u>6,414</u>	<u>7,333</u>

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**8. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	548,291	414,739
Social security costs	61,028	45,332
Other pension costs	36,320	20,212
	<u>645,639</u>	<u>480,283</u>

The average number of persons employed by the Charity during the year was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Average number of staff	<u>5</u>	<u>5</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded \$80,732 (£60,000) was:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
In the band \$80,732 - \$94,187 (£60,001 - £70,000)	1	2
In the band \$134,554 - \$148,008 (£100,001 - £110,000)	1	1
In the band \$148,009 - \$161,463 (£110,001 - £120,000)	1	-

Total remuneration paid to key management personnel was \$346,591 (2020 - \$238,371).

**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - \$NIL).

During the year ended 30 June 2021, no Trustee expenses have been incurred (2020 - \$NIL).

**10. Taxation**

There is no charge to corporation tax due to the nature of the activities carried out by the organisation.

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**11. Tangible fixed assets**

	<b>Computer equipment \$</b>
<b>Cost or valuation</b>	
At 1 July 2020	8,466
At 30 June 2021	<u>8,466</u>
<b>Depreciation</b>	
At 1 July 2020	2,795
Charge for the year	1,509
At 30 June 2021	<u>4,304</u>
<b>Net book value</b>	
At 30 June 2021	<u>4,162</u>
At 30 June 2020	<u>5,671</u>

**12. Debtors**

	<b>2021 \$</b>	<b>2020 \$</b>
Grants and donations receivable	103,168	23,099
Other debtors	3,007	1,105
Prepayments and accrued income	4,220	3,858
Gift aid recoverable	-	4,914
	<u>110,395</u>	<u>32,976</u>

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**13. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amounts owed to group undertakings	-	49,093
Other creditors	61,413	48,806
Grants payable	971,100	687,500
	<u>1,032,513</u>	<u>785,399</u>

**14. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 1 July 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers in/out</b>	<b>Balance at 30 June 2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Unrestricted funds</b>					
General Funds	1,025,601	4,179,184	(3,110,671)	(750,000)	1,344,114
Reserves	600,000	-	-	-	600,000
Renew Fund	-	-	-	750,000	750,000
	<u>1,625,601</u>	<u>4,179,184</u>	<u>(3,110,671)</u>	<u>-</u>	<u>2,694,114</u>
<b>Restricted funds</b>					
Children's Investment Fund Foundation	-	125,000	-	-	125,000
	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>125,000</u>
<b>Total of funds</b>	<u>1,625,601</u>	<u>4,304,184</u>	<u>(3,110,671)</u>	<u>-</u>	<u>2,819,114</u>

**Statement of funds - prior year**

	<b>Balance at 1 July 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 30 June 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Unrestricted funds</b>				
General Funds	1,258,581	2,822,026	(3,055,006)	1,025,601
Reserves	600,000	-	-	600,000
	<u>1,858,581</u>	<u>2,822,026</u>	<u>(3,055,006)</u>	<u>1,625,601</u>

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**14. Statement of funds (continued)**

**Reserves**

The reserves fund of \$600,000 included within unrestricted funds is a Board designated fund set aside for the purpose of confronting operational expenses in case of a downturn in fundraising.

The Renew Fund of \$750,000 included within unrestricted funds is a Board designated fund set aside for specific programs to be approved during each of the next 3 years. The Renew Fund is focused on COVID related health and wellness.

**Restricted funds**

During the year, the Charity received income of \$125,000 from Children's Investment Fund Foundation to support an organized base of diverse leaders in their personal transformation to change dominant institutions by leading local initiatives with decision makers aimed at advancing girls' rights in Rajasthan, India.

**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 \$</b>	<b>Restricted funds 2021 \$</b>	<b>Total funds 2021 \$</b>
Tangible fixed assets	4,162	-	4,162
Current assets	3,722,465	125,000	3,847,465
Creditors due within one year	(1,032,513)	-	(1,032,513)
<b>Total</b>	<b>2,694,114</b>	<b>125,000</b>	<b>2,819,114</b>

**Analysis of net assets between funds - prior year**

	<b>Unrestricted funds 2020 \$</b>	<b>Total funds 2020 \$</b>
Tangible fixed assets	5,671	5,671
Current assets	2,405,329	2,405,329
Creditors due within one year	(785,399)	(785,399)
<b>Total</b>	<b>1,625,601</b>	<b>1,625,601</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

**16. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Net income/expenditure for the year (as per Statement of Financial Activities)	1,193,513	(232,980)
<b>Adjustments for:</b>		
Depreciation charges	1,509	1,509
Interest income	(54)	(541)
(Increase) / Decrease in debtors	(77,419)	147,435
Increase in creditors	247,113	213,591
<b>Net cash provided by operating activities</b>	<b>1,364,662</b>	<b>129,014</b>

**17. Analysis of cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Cash in hand	3,737,070	2,372,353
<b>Total cash and cash equivalents</b>	<b>3,737,070</b>	<b>2,372,353</b>

**18. Analysis of changes in net debt**

	<b>At 1 July 2020</b>	<b>Cash flows</b>	<b>At 30 June 2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash at bank and in hand	2,372,353	1,364,717	3,737,070
	<b>2,372,353</b>	<b>1,364,717</b>	<b>3,737,070</b>

**19. Pension commitments**

The Charity contributes to a group personal pension scheme.

The pension costs per the Statement of Financial Activities represent contributions due from the company and amounted to \$36,320 (2020 - \$20,212).

At the year end the charity had a pension liability of \$5,101 (2020 - \$nil).

**EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2021**

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**20. Related party transactions**

At the balance sheet date \$Nil was due to (2020 - \$11,536) EMpower - The Emerging Markets Foundation, a not for profit organisation incorporated in the United States of America (EMpower US), which shares common directors. The balance is unsecured, interest free and repayable on demand.

During the year, management fees of \$612,147 (2020 - \$687,222) were payable to EMpower - The Emerging Markets Foundation for providing operating support.

At the balance sheet date \$Nil (2020 - \$37,557) was due to Empower HK - The Emerging Markets Foundation, a not for profit corporation based in Hong Kong (EMpower HK), which shares common directors. The balance is unsecured, interest free and repayable on demand.

The aggregate donations received from related parties for which there are no conditions during the year was \$1,119,160 (2020 - \$849,388).

**21. Parent entity**

The parent entity of the Charity is EMpower USA, a charity incorporated in the USA, by virtue of EMpower USA being the sole member of the Charity.